



Prepaid Wireless 911 Fee Highlights

- Prepaid wireless 911 fee must be collected by the retailer on the sale of prepaid wireless service at the time of sale. Prepaid wireless means service that is sold in predetermined units or dollars that decline with use in a known amount.
- Businesses selling a bundled telecommunication service (phone and service) may choose to not charge the 911 fee when the portion applying to the prepaid wireless service is ten minutes or less or has a value of five dollars or less. If the minutes or dollars of service are not disclosed separately, prepaid wireless telecommunication services bundled with other goods require the collection of the 911 fee on the entire selling price of the bundle.
- Collection of the 2% prepaid wireless 911 fee is effective for taxable periods beginning January 1, 2014 through June 30, 2017. Beginning July 1, 2017, the rate increases to 2.5%. The prepaid wireless 911 fees are in lieu of the traditional 911 fee, which is collected on landline services and traditional wireless plans.
- The prepaid wireless 911 fee is not included in the tax base for computing state and local sales taxes. The 911 fee must be itemized and collected from the consumer.
- Businesses with active North Dakota sales tax permits need to complete a brief application to document they sell prepaid wireless service. New businesses without a North Dakota sales tax permit must complete a sales tax permit application. Both of these applications will be on our web site, nd.gov/tax/salesanduse/forms.
- The prepaid wireless 911 fee filing schedule is the same as sales tax, unless the business requests a different schedule.
- Prepaid wireless 911 fee is reported on a separate return and is not included on the sales tax return.
- Businesses collecting the prepaid wireless 911 fee may retain 100 percent of the fee the first three months of collection and may retain 3% of the fee after the first three months.

If you have any questions about the collection of the prepaid wireless 911 fee, please contact the Sales Tax Compliance section at 701.328.1246 or by email, salestax@nd.gov.